

AN ACT

ENTITLED, An Act to permit bonding authorities to enter into contracts for the purpose of managing payments or interest rate risk.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 1-16A be amended by adding thereto a NEW SECTION to read as follows:

The authority may enter into any contract that the authority determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of proceeds, or other funds of the authority. The contracts may include: interest rate exchange agreements; contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

Section 2. That chapter 1-16B be amended by adding thereto a NEW SECTION to read as follows:

The authority may enter into any contract that the authority determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of proceeds, or other funds of the authority. The contracts may include: interest rate exchange agreements; contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

Section 3. That chapter 1-16E be amended by adding thereto a NEW SECTION to read as follows:

The authority may enter into any contract that the authority determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of

proceeds, or other funds of the authority. The contracts may include: interest rate exchange agreements; contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

Section 4. That chapter 5-12 be amended by adding thereto a NEW SECTION to read as follows:

The authority may enter into any contract that the authority determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of proceeds, or other funds of the authority. The contracts may include: interest rate exchange agreements; contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

Section 5. That chapter 11-11 be amended by adding thereto a NEW SECTION to read as follows:

The authority may enter into any contract that the authority determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of proceeds, or other funds of the authority. The contracts may include: interest rate exchange agreements; contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

Section 6. That chapter 46A-1 be amended by adding thereto a NEW SECTION to read as follows:

The district may enter into any contract that the district determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of proceeds, or other funds of the district. The contracts may include: interest rate exchange agreements;

contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

Section 7. That chapter 49-16B be amended by adding thereto a NEW SECTION to read as follows:

The authority may enter into any contract that the authority determines necessary or appropriate to manage payment or interest rate risk for bonds issued pursuant to this chapter, the investment of proceeds, or other funds of the authority. The contracts may include: interest rate exchange agreements; contracts providing for payment or receipt of funds based on levels of or changes in interest rates; contracts to exchange cash flows or series of payments; or contracts incorporating interest rate caps, collars, floors, or locks.

An Act to permit bonding authorities to enter into contracts for the purpose of managing payments or interest rate risk.

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I certify that the attached Act
originated in the

SENATE as Bill No. 87

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 87
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
=====

STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State